

CITY OF RIVERSIDE

BOARD OF PUBLIC UTILITIES

Minutes of: Regular Meeting of the Board of Public Utilities
Date of Meeting: December 2, 2005
Time of Meeting: 8:15 a.m.
Place of Meeting: Art Pick Council Chamber, City Hall
3900 Main Street (at Tenth & Main Streets)
Riverside, California

City Manager Brad Hudson and Assistant City Manager Michael Beck attended this meeting.

PLEDGE OF ALLEGIANCE WAS GIVEN TO THE FLAG

PUBLIC HEARING

(1) **2005 URBAN WATER MANAGEMENT PLAN (UWMP) PUBLIC HEARING**

CALL PUBLIC HEARING TO ORDER

Chair Peter Hubbard called the meeting to order at 8:15 a.m.

ROLL CALL

Present:	Peter Hubbard (Chair)	Jim Anderson (Vice Chair)
	David Barnhart	Ken Sutter
	Conrad Newberry, Jr., P.E.	Bob Stockton
	Lalit Acharya	Joe Tavaglione

Absent: Greg Kraft (absent due to business)

OPEN PUBLIC HEARING AND REVIEW OF RULES OF CONDUCT

Chair Peter Hubbard announced that the Board of Public Utilities was holding a Public Hearing on the 2005 Draft Urban Water Management Plan. Mr. Hubbard stated that the purpose of the hearing was to consider public comments on proposed changes and modifications to this plan and that any comments from any individual would be limited to three minutes and would be heard in order of sign up.

STAFF PRESENTATION

Principal Water Engineer Zahra Panahi gave an overview of the proposed changes and modifications to the 2005 Urban Water Management Plan (UWMP). Ms. Panahi stated that Riverside Public Utilities' objective is to make the City independent of imported water.

Chair Hubbard then opened the hearing for public comments.

COMMENTS FROM AUDIENCE – *Each Speaker was limited to 3 minutes for comments*

There were no public in attendance.

CLOSE PUBLIC HEARING

As there were no public comments regarding this matter, Chair Hubbard closed the hearing.

CLOSING COMMENTS FROM BOARD MEMBERS

Vice Chair Jim Anderson gave written comments to Ms. Panahi to incorporate into the report and staff would respond to his comments with clarification to ALL the Board in written response as soon as possible (see attached). Mr. Anderson stated that this plan should be shared with Gage Canal Company and others.

Board Member Conrad Newberry, Jr., P.E., stressed the importance that RPU needs to get the word out to the public NOW about the need for more monies for water projects in the future.

The Board of Public Utilities:

1. Conducted a public hearing for review of the Urban Water Management Plan;
2. Approved and recommended that the City Council adopt the Urban Water Management Plan; and
3. Authorized the City Manager, or his designee, to file copies of the Urban Water Management Plan as required under the Water Code.

Motion – Tavaglione. Second – Barnhart.

Ayes: Anderson, Barnhart, Tavaglione, Sutter, Acharya, Stockton, Hubbard, and Newberry, Jr., P.E.

Noes: None

Abstain: None.

Absent: Greg Kraft (absent due to business)

MINUTES

- (2) The regular meeting minutes from the Board of Public Utilities meeting held on November 4, 2005 was approved as submitted.

Motion – Anderson. Second – Tavaglione.

Ayes: Anderson, Barnhart, Tavaglione, Sutter, and Newberry, Jr., P.E.

Noes: None

Abstain: Acharya, Stockton, and Hubbard.

Absent: Greg Kraft (absent due to business)

- (3) The regular meeting minutes from the Board of Public Utilities meeting held on November 18, 2005 was approved as submitted.

Motion – Anderson. Second – Tavaglione.

Ayes: Hubbard, Anderson, Barnhart, Tavaglione, Stockton, Sutter, and Newberry, Jr., P.E.

Noes: None

Abstain: Acharya.

Absent: Greg Kraft (absent due to business)

CITIZENS PARTICIPATION

No comments were made.

COMMITTEE REPORTS

ELECTRIC COMMITTEE REPORT

The Board of Public Utilities accepted and filed the November 9, 2005, Electric Committee minutes.

PROPERTY COMMITTEE REPORT

The Board of Public Utilities accepted and filed the November 10, 2005, Property Committee minutes.

WATER COMMITTEE REPORT

The Board of Public Utilities accepted and filed the November 16, 2005, Water Committee minutes.

FINANCE/MARKETING COMMITTEE REPORT – The Finance/Marketing Committee meeting scheduled on November 25, 2005 was cancelled and rescheduled to December 9, 2005.

CONSENT CALENDAR

A motion was made to approve the following items on the Consent Calendar with the exception of Item 10, **2006 ANNUAL SHAREHOLDERS MEETINGS VOTING PROXIES – MUTUAL COMPANIES (VOTING REPRESENTATION AND APPOINTMENT OF ALTERNATES)**, which was moved to the Discussion Calendar:

Motion – Tavaglione. Second – Sutter.

Ayes: Hubbard, Anderson, Barnhart, Tavaglione, Sutter, Acharya, Stockton, and Newberry, Jr., P.E.

Noes: None

Abstain: None.

Absent: Greg Kraft (absent due to business)

ELECTRIC ITEMS

(4) **CIRCUIT 1263/1284 FEEDER RELOCATION
WORK ORDER 060114-6**

The Board of Public Utilities approved the estimated capital expenditure of \$60,000 to relocate overhead cables to new SCE poles and remove existing poles on Jurupa Avenue, westerly of Van Buren.

Funds are budgeted and available for this project in the Major Feeders Account. There will be no outside reimbursement for the cost.

(5) **UNDERGROUND ELECTRICAL INSTALLATION OF DISTRIBUTION
WORK ORDER 063054**

The Board of Public Utilities approved the estimated capital expenditure of \$70,000 for the installation of three-phase underground facilities to Jurupa Industrial Condos (2 buildings) located at 7085 & 7095 Jurupa Avenue.

Funds are budgeted and available for this project in the Distribution Line Extensions Account and will be predominantly reimbursed by the Developer.

(6) **12 kV UNDERGROUND LINE EXTENSION
WORK ORDER 644085**

The Board of Public Utilities approved the estimated capital expenditure of \$270,000 to install underground primary line extensions to serve 140 Single Family Residences (Tract 31237) located at Krameria Avenue, westerly of Wood Road.

Funds are budgeted and available for this project in the Major Tract Distribution Account and will be predominantly reimbursed by the Developer.

WATER ITEMS

(7) **LA SIERRA AVENUE 8-INCH AND 12-INCH WATER MAIN REPLACEMENT
PROJECT – WORK ORDER 0501190**

The Board of Public Utilities:

1. Authorized a budget transfer of \$320,000 from the Main Replacement Account No. 6230000-470707 to the Street Improvement Account No. 6230000-470734 of the Water Capital Fund; and
2. Approved the estimated capital expenditure of \$400,000 for Work Order 0501190, which includes all design, construction, inspection change order contingencies, system connections, and service tie-overs for the La Sierra Avenue 8-Inch and 12-Inch Water Main Relocation Project.

OTHER ITEMS

(8) **AWARD OF BID NO. 6274 – GENERAL LANDSCAPE MAINTENANCE AT
VARIOUS PUBLIC UTILITIES PROPERTIES**

The Board of Public Utilities awarded the contract for Bid No. 6274 – General Landscape Maintenance at Various Public Utilities Properties to the lowest responsive bidder, Charles T. Andrews, Inc., doing business as CTAI Pacific Greenscape, in the amount of \$132,350.00 for the period January 1, 2006 through

December 31, 2006, with the option to extend for three additional 12-month periods with maximum yearly adjustments based on the Consumer Price Index.

(9) AWARD OF BID TO WESTERN AUDIO VISUAL FOR UPGRADING THE EXISTING PROJECTION DISPLAY FOR THE ELECTRIC SCADA SYSTEM

The Board of Public Utilities approved the award of bid to Western Audio Visual in the amount of \$138,683.70 for a Projection System upgrade.

(10) **MOVED TO DISCUSSION CALENDAR**

(11) AGREEMENT WITH TRANSUNION LLC FOR INTERNET ACCESS TO TRANSUNION SERVICES

The Board of Public Utilities approved the Agreement for TransUnion Desktop with TransUnion LLC, and any subsequent annual renewals of this Agreement.

DISCUSSION CALENDAR

(10) 2006 ANNUAL SHAREHOLDERS MEETINGS VOTING PROXIES – MUTUAL COMPANIES (VOTING REPRESENTATION AND APPOINTMENT OF ALTERNATES)

Staff requested that this item be placed on the discussion calendar to revise the report and recommendations. Assistant Director/Water Kevin Milligan apologized that there were some clerical errors on the background of the report that needed to be revised and the recommendations needed to be revised.

REVISIONS:

The Gage Canal Company – because Board Member Newberry will be moving off the Board in 2006, staff recommends to **appoint Board Member Stockton** to replace Mr. Newberry **as the voting representative to the Gage Canal Company**. The Board may want to consider the number of Board members that it would want to appoint on the Gage Canal Company at its January 10, 2006 meeting so staff will place this on the next Board agenda for discussion at the December 16 meeting.

Jurupa Ditch Water Company – staff anticipates the retirement of Patrick Hannifin and recommends **appointing Water Operations Manager Owen Lu as the voting representative for this company**.

Trujillo Water Company – staff requests **adding Board Members Kraft and Sutter as shareholders**, which all nine board members will be shareholders.

The Board of Public Utilities approved and recommended to the City Council that the **Revised** recommended voting representatives and current designated alternates for the 2006 Annual Stockholders Meetings be appointed.

Motion – Tavaglione. Second – Sutter.

Ayes: Hubbard, Anderson, Barnhart, Tavaglione, Acharya, Stockton, Sutter, and Newberry, Jr., P.E.

Noes: None

Abstain: None

Absent: Greg Kraft (absent due to business)

(12) HUNTS LANE 48-INCH WATER TRANSMISSION MAIN REPLACEMENT PROJECT – AWARD BID SCHEDULE "A" AND "B" – BID NO. 6325

Assistant Director/Water Kevin Milligan reported that authorization is requested to award a contract for the construction of Hunts Lane 48-Inch Water Transmission Main Replacement Project – Bid Schedule "A" and "B", Bid No. 6325. This project will replace about 2,000 linear feet of existing 42-inch concrete transmission pipeline that was constructed in 1940 and has experienced leaks within its mortar joints. Once approved this item will be addressed at the City Council so staff can stress the importance of replacing the City's aging water infrastructure, the vulnerability to earthquakes, and how costly it will be to replace the system.

Board Member Stockton was very concerned about the loss of water leakage, approximately 4,000 acre feet per year of pipeline leakage every year, on the City's water infrastructure and how costly it is for the utilities.

Assistant Director/Water Kevin Milligan stated that ALL of water crews, construction and maintenance, will be on leak repair for a period of time to the end of this year.

The Board of Public Utilities approved and recommended to the City Council:

1. Reimbursement Agreement between the City of Riverside and the City of San Bernardino for Improvements to Commercial Road for the Hunts Lane 48-Inch Water Transmission Main Replacement Project – Bid Schedule "B", Bid No. 6325;
2. Authorize a budget transfer of \$1,355,000 from the Waterman Oversizing Account No. 6230000-470800 to the Hunts Lane Pipeline Replacement Account No. 6230000-470713 of the Public Utilities' Water Fund;
3. Approve the estimated total capital expenditure of \$2,155,000 for Work Order 703948, which includes all design, construction, contract administration, inspection, and change order contingencies for the Hunts Lane 48-Inch Water Transmission Main Replacement Project;
4. Award a contract for the construction of the Hunts Lane 48-Inch Water Transmission Main Replacement Project, Bid No. 6325, to the lowest responsive bidder, Norstar Plumbing and Engineering, Inc., in the amount of \$1,641,044.00; and

5. Authorize the City Manager, or his designee, to execute the necessary documents.

Motion – Barnhart. Second – Tavaglione.

Ayes: Hubbard, Anderson, Barnhart, Tavaglione, Acharya, Stockton, Sutter, and Newberry, Jr., P.E.

Noes: None

Abstain: None

Absent: Greg Kraft (absent due to business)

(13) ITEMS FOR FUTURE BOARD OF PUBLIC UTILITIES CONSIDERATION AS REQUESTED BY MEMBER OF THE BOARD OF PUBLIC UTILITIES

Board Member Ken Sutter requested that an update be made in the future on procedures to encourage local contractors on construction projects, such as advertising, etc.

City Manager Brad Hudson left the meeting at this time.

DIRECTOR'S REPORT

Director Dave Wright reported on the following:

1. Distributed a "Draft" City Council report on the Pellisier Ranch Surplus Real Property (attached) that will be presented to City Council on December 6, 2005. He stated that the report indicates that there has been an adjustment for the value of the property, which would be the plus appreciation of \$558,000 referred to on page 2 of the report.
 2. Distributed the Staffing Retreat Record dated November 17, 2005 (attached) that expressed the importance of obtaining and retaining quality employees and ideas on targeted staffing and recruitment.
Board Member Sutter suggested looking at assistance for home purchases as an incentive for recruitments and internships – specific attention to Cal Poly Pomona.
 3. Presented a farewell plaque and gifts to Supervising Deputy City Attorney Eileen Teichert who is leaving the City of Riverside to take the position of City Attorney for Sacramento. Board Members expressed their appreciation and goodbyes to Eileen and Ms. Teichert expressed her appreciation to of worked with such a great Board of Public Utilities and staff.
- (A) State and Federal Legislative Update
Board Member Dave Barnhart requested that staff use more positive wording in the reports because Riverside needs to be more supportive, more positive – Example: Goal - AQMD Regulations -- word it more positive instead of saying preventive adverse perhaps use support cost effective or field tested technology .
- (B) WMWD & City of Riverside Ad Hoc Committee Meeting on November 22, 2005 was cancelled.

- (C) Monthly Power Supply Report — October 2005
- (D) Rolling Calendar Outlining Future Utility Projects as of November 23, 2005
- (E) City Council Agendas – November 22, 2005

SYSTEMATIC REPORTING ON CONFERENCES/SEMINARS

Vice Chair Jim Anderson reported that he attended the Association of California Water Agencies (ACWA) 2005 Fall Conference in San Diego on November 29 – December 1, 2005. Mr. Anderson distributed a memo summarizing the conference (memo attached).

Board Member Conrad Newberry, Jr., P.E., left the meeting at this time.

CLOSED SESSION

The Board of Public Utilities moved the meeting to the Board Room to discuss Items 14 and 15 below:

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

- (14) Government Code §54956.9 (a)
FERC Docket Nos.: EL00-95-000, EL 00-98-000, IN03-10-000, PA02-2-00, EL03-180-000, EL-03-154-000, EL02-144-07, EL02-115-008, EL02-113-000 and EL03-589-000.

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

- (15) Significant exposure to litigation pursuant to subdivision (b) of Section 54956.9: (one case)
Initiation of litigation pursuant to subdivision (c) of Section 54956.9: (one case)

UPCOMING MEETING

Chairman Peter Hubbard adjourned the meeting at 10:04 a.m. to the next regularly scheduled meeting of the Board of Public Utilities to be held on **Friday, December 16, 2005**, at **8:15** a.m. in the Art Pick Council Chamber at City Hall located at 3900 Main Street in Riverside, California.

By: _____
David H. Wright, Secretary
Board of Public Utilities

Approved by: City of Riverside Board of Public Utilities

Dated: December 16, 2005